

PM assures Bank Negara's independence
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Prime Minister Najib Abdul Razak today assured that Bank Negara Malaysia will be allowed to function independently.

"Bank Negara Malaysia is responsible for the nation's monetary policies.

"In this regard, the government remains committed in its support of the central bank's independence among its other mandated policies," Najib said in a statement today.

His remarks comes amidst concern that Putrajaya may be interfering in Bank Negara's affairs which could erode investors' confidence.

The concern arose as Bank Negara was investigating financial flows involving funds of state-owned 1MDB.

Following this, seven of its officers were hauled up by police on grounds of leaking confidential information.

Corruption allegations were also levelled against Bank Negara governor Zeti Akhtar Aziz (photo) by anonymous blogs after the 1MDB probe commenced.

At a press conference at the Prime Minister's Department today, Najib also assured that his government was monitoring the economic situation closely.

Special briefing

"The government has been monitoring very closely the current development in the financial markets, including currency movements.

"The cabinet and the Economic Council have discussed extensively the latest economic position of the country, in particular, matters relating to the ringgit.

"These included a special briefing by Bank Negara Malaysia governor to the economic council on Aug 17 and to the cabinet on Aug 19.

Further to this, Najib said he had also engaged with economists and analysts from several local and foreign financial institutions.

"This session was held for the economists and analysts to outline their assessment on the state of the economy and the financial markets and to provide direct feedback to the government," he said.

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